

News Release

August 9, 2010

Uranium One Increases 2010 Production Guidance to 7.0 Million Pounds Due to Record Production

Vancouver, British Columbia and Johannesburg, South Africa – Uranium One Inc. (“Uranium One”) today reported record quarterly production of 1.8 million pounds and a decrease in total cash costs at its operations to \$15 per pound sold during the second quarter of 2010. Uranium One’s 2010 production guidance has been increased from 6.8 million pounds to 7.0 million pounds as a result of better than expected performance from the Company’s South Inkai Uranium Mine.

Q2 2010 Highlights

Operational Results

- Record quarterly attributable production of 1.8 million pounds during Q2 2010, 119% higher than Q2 2009 and 4% higher than Q1 2010.
- Average total cash cost per pound sold decreased to \$15 per pound during Q2 2010, 12% lower than Q2 2009 costs of \$17 per pound and 21% lower than Q1 2010 costs of \$19 per pound.
- Initial results from the new test blocks at Kharasan have been positive; production is expected to commence from these new blocks by the end of 2010.
- Received Ministry of Industry and New Technologies (MINT) approval for dryers at Karatau allowing shipment of Karatau inventory.
- No further reliance on processing facilities in Kyrgyzstan due to the commissioning of dryers at South Inkai and the approval of the dryers at Karatau.
- The U.S. NRC issued a draft Materials License for the Moore Ranch Project in June. This is the first new license granted by the NRC for a U.S. ISR operation in almost 20 years.

Financial Results

- Attributable sales volumes were 1,517,500 pounds during Q2 2010, a 294% increase compared to sales of 385,100 pounds in Q2 2009; attributable sales volumes during July were 1,201,100 pounds.

- Revenue increased by 256% to \$66.0 million in Q2 2010, compared to \$18.6 million in Q2 2009. The average realized sales price during Q2 2010 was \$43 per pound compared to \$48 per pound during Q2 2009. The average spot price was \$41 per pound during Q2 2010.
- Earnings from mine operations increased by 270% to \$24.4 million during Q2 2010, compared to earnings from mine operations of \$6.6 million during Q2 2009.
- Attributable inventory was 3.3 million pounds at June 30, 2010 compared to 3.0 million pounds at March 31, 2010.
- Uranium One did not pay or accrue any Excess Profits Tax (“EPT”) in 2009 and does not expect to pay or accrue any EPT going forward.

Corporate

- Announced the acquisition of a 50% joint venture interest in the Akbastau Uranium Mine and a 49.67% joint venture interest in the Zarechnoye Uranium Mine from ARMZ. ARMZ will also contribute \$610 million in cash to Uranium One. ARMZ will be issued 356 million new common shares of Uranium One, resulting in an increase in its equity ownership interest in the Company to approximately 51%; following initial closing, Uranium One will pay a special cash dividend of US\$1.06 per share to shareholders (other than ARMZ), representing a change of control premium.
- JUMI has elected to have their debenture repaid, subject to the completion of the ARMZ transaction.

Jean Nortier, President and CEO of Uranium One commented:

“This was an excellent quarter for Uranium One in terms of sales, production and operating costs. In light of the strong performance from South Inkai, we are pleased to be in a position to increase our production guidance for 2010 to 7.0 million pounds attributable to the Company. We are also looking forward to completing our transaction with ARMZ later this year.”

Outlook

Uranium One’s attributable production estimate for 2010 has been increased to 7.0 million pounds from 6.8 million pounds due to better than expected performance at South Inkai. For 2011, the attributable production estimate remains unchanged at 8.0 million pounds, including initial production from the Powder River Basin in Wyoming. Production guidance for 2010 and 2011 does not include any potential contribution from Akbastau and Zarechnoye.

During 2010, the average cash cost per pound sold is expected to be approximately \$14 at Akdala and Karatau, and approximately \$20 at South Inkai.

Uranium One's attributable sales estimate for 2010 continues to be approximately 6 million pounds.

Attributable capital expenditures for the full year 2010 are estimated to be \$148 million, including approximately \$87 million for the Company's mines and development projects in Kazakhstan, and \$61 million for its development projects in Australia and the United States.

Other 2010 expenditures remain unchanged and are estimated to be \$29 million for general and administrative expenses (excluding non-cash items), \$7 million for exploration, and \$1 million for care and maintenance expenses.

Q2 2010 Operations and Projects

During the second quarter of 2010, Uranium One achieved record attributable production of 1,823,600 pounds, 119% higher than the 833,800 pounds produced during Q2 2009 and 4% higher than production during Q1 2010 of 1,753,700 pounds. The increase is primarily due to the inclusion of production from the recently acquired 50% interest in the Karatau Uranium Mine, as well as from the continued ramp up at South Inkai.

Kazakhstan

Operational results for Uranium One's operations in Kazakhstan during Q2 2010 were:

- Akdala Uranium Mine - attributable production was 489,200 pounds; total cash costs were \$12 per pound sold.
- South Inkai Uranium Mine - attributable production was 769,700 pounds; total cash costs were \$20 per pound sold.
- Karatau Uranium Mine - attributable production was 521,100 pounds; total cash costs were \$7 per pound sold, which was lower than expected due to deferred operational expenditure.
- Kharasan Uranium Project - attributable production during commissioning was 43,600 pounds.

United States

The U.S. Nuclear Regulatory Commission ("NRC") issued a draft Materials License for the Moore Ranch project in June 2010. This is the first new license granted by the NRC for a U.S. ISR operation in almost 20 years. The final Moore Ranch license is expected

to be issued after the NRC has issued its Supplemental Environmental Impact Statement, followed by a 30 day public notice period.

Q2 2010 Financial Review

Revenue of \$66.0 million was recorded in Q2 2010, 256% higher compared to revenue of \$18.6 million in Q2 2009 due to an increase in the volume sold, somewhat offset by a lower realized sales price.

Operating expenses per pound sold decreased by 12% from \$17 per pound in Q2 2009 to \$15 per pound in Q2 2010, mainly due to lower operating costs at South Inkai and the inclusion of Karatau in the most recent financial period.

The decrease in total average operating expenses, combined with the increased revenue, resulted in a 270% increase in earnings from mine operations to \$24.4 million in Q2 2010 from \$6.6 million in Q2 2009.

Attributable inventory as at June 30, 2010, which includes work in progress as well as finished product ready to be shipped or in transit, was 3.3 million pounds compared to 3.0 million pounds as at March 31, 2010.

The adjusted net loss for Q2 2010 was \$1.3 million, or nil per share, compared to an adjusted net loss for Q2 2009 of \$12.9 million, or \$(0.03) per basic share.

Consolidated cash and cash equivalents were \$394.3 million as at June 30, 2010 compared to \$148.5 million at December 31, 2009. Working capital was \$466.8 million at June 30, 2010.

Kazakhstan introduced a new tax code effective January 1, 2009 which amended the basis for determining Excess Profits Tax (“EPT”) charged on subsoil users in the country. The Corporation has analyzed the EPT provisions in the new tax code and consulted with its tax advisors and, in line with other Kazakhstan uranium producers, has determined that EPT is currently not payable on its uranium mining operations in Kazakhstan. In light of this determination, Uranium One did not pay or accrue any EPT during 2009 and does not expect to do so in the future.

The following table provides a summary of key financial results:

| FINANCIAL SUMMARY | Q2 2010 | Q2 2009 | YTD 2010 | YTD 2009 |
|---|----------------|----------------|-----------------|-----------------|
| Attributable production (lbs) ⁽¹⁾ | 1,780,000 | 815,500 | 3,500,200 | 1,516,400 |
| Attributable sales (lbs) ⁽¹⁾ | 1,517,500 | 385,100 | 2,281,900 | 1,265,700 |
| Average realized sales price (\$ per lb) ⁽²⁾ | 43 | 48 | 44 | 49 |
| Average cash cost of production sold (\$ per lb) ⁽²⁾ | 15 | 17 | 16 | 17 |
| Revenues (\$ millions) | 66.0 | 18.6 | 101.5 | 61.5 |
| Earnings from mine operations (\$ millions) | 24.4 | 6.6 | 33.3 | 22.5 |
| Net loss from continuing operations (\$ millions) | (9.7) | (265.7) | (31.2) | (202.4) |
| Loss per share from continuing operations – basic and diluted (\$ per share) | (0.02) | (0.57) | (0.05) | (0.43) |
| Earnings / (Loss) from discontinued operations (\$ millions) | - | 0.8 | - | (1.4) |
| Earnings / (Loss) per share from discontinued operations – basic and diluted (\$ per share) | - | 0.00 | - | (0.00) |
| Net loss (\$ millions) | (9.7) | (264.9) | (31.2) | (203.8) |
| Net loss per share – basic and diluted (\$ per share) | (0.02) | (0.56) | (0.05) | (0.43) |
| Adjusted net loss (\$ millions) ⁽²⁾ | (1.3) | (12.9) | (20.5) | (18.4) |
| Adjusted net loss per share – basic (\$ per share) ⁽²⁾ | (0.00) | (0.03) | (0.03) | (0.04) |

Notes:

1. Attributable production and sales are from assets owned and in commercial production during the period (for 2010: Akdala, South Inkai and Karatau; for 2009: Akdala and South Inkai only).
2. The Corporation has included non-GAAP performance measures: average realized sales price per pound, cash cost per pound sold, adjusted net earnings/(loss) and adjusted net earnings/(loss) per share. In the uranium mining industry, these are common performance measures but do not have any standardized meaning, and are non-GAAP measures. The Corporation believes that, in addition to conventional measures prepared in accordance with GAAP, the Corporation and certain investors use this information to evaluate the Corporation's performance and ability to generate cash flow. The additional information provided herein should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

The following table provides a reconciliation of adjusted net earnings / (loss) to the consolidated financial statements:

| | 3 months ended | | 6 months ended | |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
| | Jun 30, 2010 \$(000's) | Jun 30, 2009 \$(000's) | Jun 30, 2010 \$(000's) | Jun 30, 2009 \$(000's) |
| Net loss from continuing operations | (9,741) | (265,726) | (31,247) | (202,370) |
| Unrealized foreign exchange (gain) / loss on future income tax liabilities | (513) | 1,776 | 641 | (67,123) |
| Impairment of mineral interest, plant and equipment and closure costs | 670 | 251,064 | 1,886 | 251,064 |
| Loss on sale of available for sale securities | 8,259 | 8 | 8,218 | 8 |
| Adjusted net loss | (1,325) | (12,878) | (20,502) | (18,421) |
| Adjusted net loss per share – basic (\$) | (0.00) | (0.03) | (0.03) | (0.04) |
| Weighted average number of shares (thousands) – basic | 587,495 | 469,690 | 587,466 | 469,652 |

The quarterly financial statements, as well as the accompanying management's discussion and analysis, are available for review at www.uranium1.com and should be read in conjunction with this news release. All figures are in U.S. dollars unless otherwise indicated. All references to pounds sold or pounds produced are to pounds of U₃O₈.

Update on Transaction with ARMZ

A notice of special meeting of shareholders and the management information circular dated August 3, 2010 concerning the ARMZ transaction has been mailed to shareholders of record as at July 29, 2010 and filed on SEDAR. As previously announced, the Board of Directors has unanimously recommended that shareholders vote in favour of the transaction at the special meeting of Uranium One shareholders to be held in Vancouver, British Columbia on August 31, 2010.

The recommendation of the Board was made after considering, among other factors, a report and recommendation to vote in favour of the transaction from an Independent Committee of the Board, a favourable valuation and fairness opinion from CIBC World Markets Inc. (financial adviser to the Independent Committee), and a fairness opinion from BMO Capital Markets (financial adviser to Uranium One). Further details regarding the valuation and fairness opinions are contained in the Circular.

Japan Uranium Management Inc.

On and subject to closing of the ARMZ transaction, Japan Uranium Management Inc. ("JUMI") has agreed to sell its convertible debentures to Uranium One for a cash amount

equal to 101% of the C\$269,100,000 principal amount thereof, plus accrued and unpaid interest, pursuant to the change of control provisions of the debentures.

As a result, the special dividend to be paid to Uranium One shareholders (other than ARMZ) in connection with the closing of the ARMZ transaction has now been fixed at US\$1.06 per share.

Uranium One has also entered into an amended and restated offtake agreement with JUMI, effective upon closing of the ARMZ transaction, providing the members of the JUMI consortium, in lieu of JUMI's previous offtake right, with the option to purchase up to 2.5 million pounds of U₃O₈ per year from Uranium One from 2014 to 2025, at a market-related price at the time of delivery. The strategic relationship agreement between Uranium One and the JUMI parties will also terminate upon the closing of the ARMZ transaction and repayment of the JUMI debentures.

Conference Call Details

Uranium One will be hosting a conference call and webcast to discuss the second quarter 2010 results on Monday, August 9, 2010 starting at 10:00 a.m. (Eastern Time). Participants may join the call by dialling toll free 1-888-231-8191 or 1-647-427-7450 for local calls or calls from outside Canada and the United States. A live webcast of the call will be available through CNW Group's website at: www.newswire.ca/en/webcast

A recording of the conference call will be available for replay for a two week period beginning at approximately 12:00 p.m. (Eastern Time) on August 9, 2010 by dialling toll free 1-800-642-1687 or 1-416-849-0833 for local calls or calls from outside Canada and the United States. The pass code for the replay is 89639121. A replay of the webcast will be available through a link on our website at www.uranium1.com

About Uranium One

Uranium One is one of the world's largest publicly traded uranium producers with a globally diversified portfolio of assets located in Kazakhstan, the United States, and Australia.

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Cautionary Statement

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

Investors are advised to refer to independent technical reports containing detailed information with respect to the material properties of Uranium One. These technical reports are available under the profiles of Uranium One Inc and UrAsia Energy Ltd. at www.sedar.com. Those technical reports provide the date of each resource or reserve estimate, details of the key assumptions, methods and parameters used in the estimates, details of quality and grade or quality of each resource or reserve and a general discussion of the extent to which the estimate may be materially affected by any known environmental, permitting, legal, taxation, socio-political, marketing, or other relevant issues. The technical reports also provide information with respect to data verification in the estimation.

Scientific and technical information contained herein was prepared under the supervision of and has been reviewed on behalf of the Corporation by Mr. M.H.G. Heyns, Pr.Sci.Nat. (SACNASP), MSAIMM, MGSSA, Senior Vice President Technical Services of the Corporation, a Qualified Person for the purposes of NI 43-101.

Forward-looking statements: This press release contains certain forward-looking statements. Forward-looking statements include but are not limited to those with respect to the price of uranium, the estimation of mineral resources and reserves, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Uranium One to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the completion of the transaction described in this press release, changes in market conditions, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, project cost overruns or unanticipated costs or expenses, possible variations in grade and ore densities or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes or other risks of the mining industry, exchange rate and uranium price fluctuations, delays in obtaining government approvals or financing or in completion of development or construction activities, changes in, and the effect of government policy, risks relating to the integration of acquisitions, to international operations, to the price of uranium as well as those factors referred to in the section entitled "Risk Factors" in Uranium One's Annual Information Form for the year ended December 31, 2009, which is available on SEDAR at www.sedar.com, and which should be reviewed in conjunction with this document. Although Uranium One has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Uranium One expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

For further information about Uranium One, please visit www.uranium1.com.